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ABSTRACT

This national survey of college and university enrollment management practices examines how current technology is being used to make enrollment management more efficient and cost-effective. The report finds that more enrollment managers use advanced tracking, research, and analysis systems to determine the most effective outreach methods; they employ more sophisticated outreach techniques; and they determine recruiting and enrollment costs for specific sizes and types of class. Ten trends emerge from analysis of the survey: (1) yield rates are declining; at public institutions only 22 percent of inquiring freshmen actually apply; (2) planning for change has increased and institutions are developing innovative strategies to yield higher enrollment numbers; (3) internal reporting relationships are shifting, and more enrollment officers now report directly to the president; (4) enrollment budgets and salaries are larger; (5) tuition discount rates are increasing; the freshman discount rate stands at 5.4 percent for public institutions and 30.5 percent for private institutions; (6) more targeted outreach strategies are being used; (7) there is more strategic use of financial aid as a recruitment tool to attract the desired mix of students; (8) use of Web sites has increased; (9) use of direct mail has been expanded; and (10) telecounseling is being used to reach prospects. (CH)

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May 1999

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Higher Education Research Highlights

Top Ten Trends in Enrollment Management

by Tracy L. Wolff and Peter S. Bryant,
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Introduction: A buyers' market

In many respects higher education is a "buyers' market" for today's prospective students. Because competition for students has increased, college and university enrollment officials must now move beyond the limited practices of the past and aggressively pursue the right mix of students, becoming not only promoters and statisticians, but also visionaries. Making use of current technology, enrollment officials are developing ever-more efficient, expeditious and cost-effective methods.

Changing demographics improve the odds for colleges and universities: the pool of college-aged students increased throughout the 1990s, although not all are equally prepared to enter the world of higher education. In response, more and more institutions recognize the need to set realistic enrollment goals. The question is, "How do we find the students best suited to our college or university?"

Savvy schools are taking fresh approaches and making better use of the high-tech tools now available. Successful solutions include (1) using more-advanced tracking, research and analysis systems to determine which outreach methods are working, (2) employing more sophisticated outreach techniques, and (3) determining the cost of recruiting and enrolling a specific size and type of class. Consider the following:

- In 1997 **public** institutions spent an average of $433 to recruit a new student, an increase of 26 percent since 1995; **privates** spent $1,624, an increase of 4 percent.
- **A majority** of **both** four-year public (66.2%) and four-year **private** (69.9%) colleges and universities reported that in 1997 they had **achieved** or **exceeded** their goals for the size of the incoming class.

The following 10 trends emerge from an analysis of the national Noel-Levitz survey of enrollment managers.

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More and more institutions recognize the need to set realistic enrollment goals.

Declining yield rates

major concern for today's colleges and universities is the decline in the yield rate (the percent of students who actually enroll).

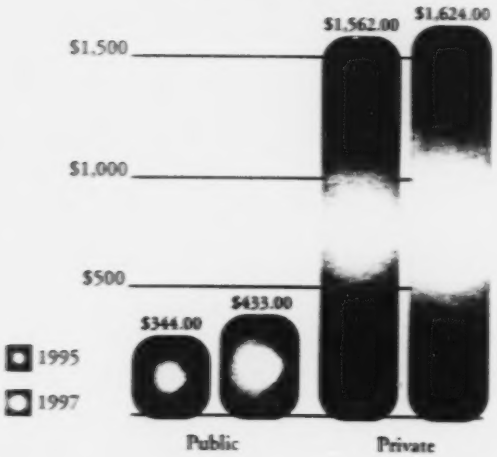
- **Public** college and university respondents said that only 22 percent of the freshman inquiries actually applied, a decrease of 5 percent from fall 1995. **Publics** reported accepting 74 percent of applicants in 1997, compared with 77 percent in fall 1995; they enrolled only 45.5 percent of students, compared with 53 percent in fall 1995.
- **Private** respondents said that 10.5 percent of freshman inquiries applied, an increase of 1.5 percent over fall 1995. **Privates** reported admitting 63 percent of applicants in fall 1997, compared with 77 percent in fall 1995, and enrolling 38 percent of students, compared with 44 percent in fall 1995.
- Many colleges and universities are accepting a wider base of students to make their enrollment goals. This practice has had significant impact on classrooms, services and retention rates.

Increased planning for change

othing succeeds like a well-thought-out, carefully executed plan, and an increasing number of institutions are developing innovative strategies, incorporating high-tech tools, and applying inspired techniques to yield higher enrollment numbers.

Significantly larger numbers of both public and private colleges and universities were doing more enrollment planning by fall 1997 than in fall 1995.

Average Recruitment Cost for Each New Student



- Of four-year **publics**, 39 percent reported committing to paper an annual comprehensive enrollment management plan (compared with 15 percent in fall 1995); 81 percent reported developing an annual marketing/recruitment plan (compared with 58.6 percent in fall 1995); and 29.7 percent reported developing an annual retention plan.
- Of four-year **privates**, 42 percent reported that they develop and revise comprehensive enrollment management plans annually (compared with 15 percent in fall 1995); 79.6 percent reported that they have devised annual marketing/recruitment plans (compared with 61.8 percent in fall 1995); and 27 percent reported developing an annual retention plan.

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Shifting internal reporting relationships

The importance of meeting enrollment goals is reflected in the increasing number of enrollment officers who report directly to the **president** of the college or university.

- As of 1997 the majority of **private** institutions responded that the chief enrollment officer reports to the president (69.2%, up from 62% in 1995).
- At **public** institutions, the plurality of chief enrollment officers report to the chief academic affairs officers (41.3%, up from 34.4% in 1995); however, a significant — although declining — number report to the chief student affairs officer (down from 29.7% in 1995 to 23.8% in 1997).

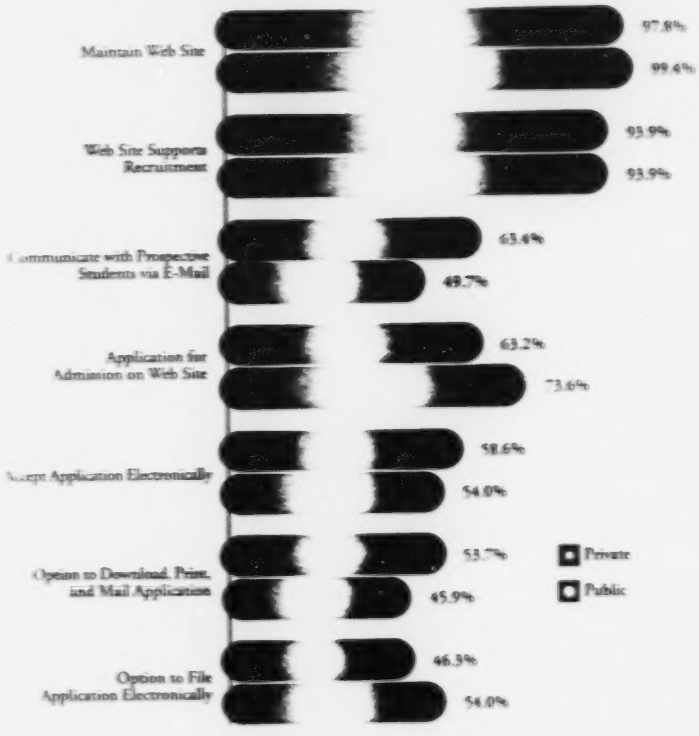
More enrollment officers report directly to the president.

Bigger enrollment budgets and salaries

A larger portion of college and university budgets has been designated for recruitment and enrollment purposes, making it possible to hire additional enrollment staff, invest in sophisticated support tools and revolutionize enrollment offices.

- Compared with 1995 figures, **publics** increased the amount they spent on data processing by 251 percent to $36,065 in 1997. **Privates** increased their data processing budgets 67 percent to $23,544.
- Total **marketing/recruitment/admissions** budget/expenditures increased 45 percent at **publics** (to $965,383), and 19 percent for **privates** (to $745,383). Recruitment publications and other advertising/promotions also increased significantly.
- **Salaries**, benefits and other personnel expenses increased 28 percent (to $618,926) for **publics** and 45 percent (to $459,670) for **privates**.

Recruitment Technology



% of Colleges & Universities That Use Technology

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Tuition discounting is on the increase.

- Many campuses are increasing their enrollment **staff**, including the hiring of a full-time telecounseling coordinator. For **public** respondents 28.8 percent in fall 1997 have raised the telecounseling manager or coordinator to a full-time position, compared with 19.6 percent reported in fall 1995. For 30 percent of **privates**, it is now a full-time position, compared with 25 percent reported in fall 1995.

Increasing tuition discount rates

As tuition escalates, fewer and fewer students have the ability — or the willingness — to pay the full price. Consequently:

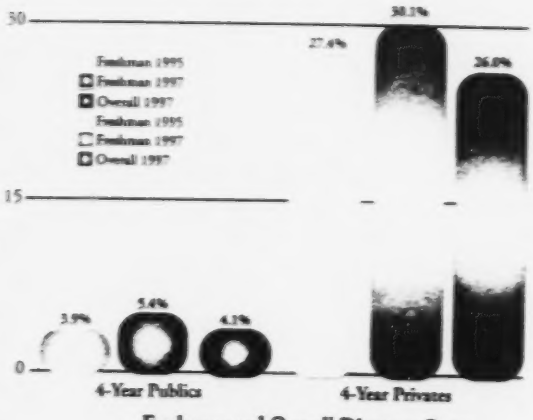
- Tuition discount rates continue to rise.
- The freshman discount rate is up 1.5 percent (to 5.4%) for **publics**, and 2.7 percent (to 30.1%) for **privates**.
- The **overall discount rate** at colleges and universities is lower than the discount rate for freshmen. The overall discount rate for **publics** stands at 4.1 percent, for **privates**, 26 percent.

More targeted outreach strategies

Careful analysis of various recruitment strategies has become a necessity on campus. Statistical information has led to changes by many colleges and universities. **Traditional high school visits**, which take a great deal of time, are becoming **less productive** than they were in years past.

- Only 58 percent of **publics** noted that high school visits in primary markets were an "effective" use of time; such visits did not even make the list for **private** institutions.
- Many colleges and universities are turning instead to telecounseling to develop personal relationships with students — some schools making as many as 100,000 phone calls a year to court students.
- Faculty at **public** universities are also getting involved in recruiting gifted students.
- Schools are also paying more attention to their recruitment publications, often creating a series of publications that target desired groups of students.

Mean Tuition Discount Rates



Freshman and Overall Discount Rates

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- **Publics** (79.4%) and **privates** (78.3%) rated **hosting campus visit days** for high school students as a "very effective" tool.
- 40.9 percent of **publics** and 53 percent of **privates** reported telecounseling as a "very effective" recruitment practice — up from 28 percent in 1995 for **publics**, and up from 50 percent for **privates**.

More schools accept electronic applications than ever before.

More strategic use of financial aid

An increasing number of schools recognize the importance students attach to financial aid; consequently, schools are using these funds more strategically, using financial aid as one recruitment tool to help attract the best mix of students.

- **Privates** are ahead of **publics** in the strategic use of financial aid.
- Of **privates** 56.8 percent and of **publics** 14.7 percent judiciously compare enrollment rates with financial aid awards. 35 percent of **publics** and 66.7 percent of **privates** provide early estimates of financial aid.
- 65.2 percent of **privates** and 26.6 percent of **publics** targeted their aid package; a 9 percent increase for **privates**, and a 4 percent increase for **publics**.

Increasing use of Web sites

Schools are increasingly turning to electronic tools for communications. More schools accept electronic applications now than ever before.

- 54 percent of **publics** and 58.6 percent of **privates** accept application data electronically.
- Almost all institutions maintain a Web site — 99.4 percent of **publics** and 97.8 percent of **privates**. **Publics** receive a mean of 40,579 hits to their Web sites per month; **privates** receive 30,977 hits to their Web sites.
- 49.7 percent of **publics** and 63.4 percent of **privates** say they routinely communicate with prospective students via e-mail.

Expanding use of direct mail

Because they now have better systems in place to **qualify** these leads, institutions are casting a broader net by purchasing names.

- Four-year **private** colleges and universities reported making larger search buys from The College Board, NRCCUA, commercial list vendors, and other sources than did publics in fall 1997.

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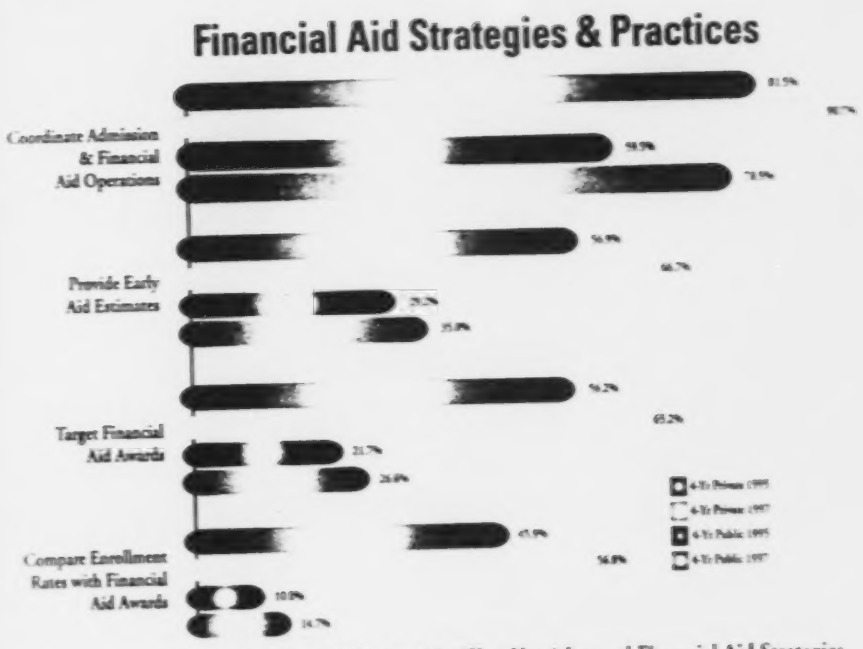
The use of telecounseling among publics and privates is up.

- **Publics** reported making larger buys from ACT, vendors selling names of students with special talents, and state agencies.

Using telecounseling to reach prospects

To varying extent and with varying success, enrollment officials at both public and private institutions now use telecounseling as an on-going recruiting and enrollment tool.

- A higher number of **public** institutions are employing telecounseling to provide continuity and information throughout the recruitment cycle.
- The percentage of **privates** that reported "frequent" use of telecounseling in multiple phases of the recruitment cycle has either remained constant, increased only slightly, or decreased since fall 1995.
- **Privates** were far ahead of **publics** in implementing telecounseling, integrating it far earlier and using it for more purposes than did **publics**.
- Of institutions using telecounseling, more and more are using highly sophisticated systems to plan, track and execute their telecounseling programs. In fall 1995, only 33 percent of **publics** and 40 percent of **privates** reported using primarily integrated computer systems to conduct telecounseling, compared with 37.8 percent of **publics** and 51.3 percent of **privates** in fall 1997.
- Four-year institutions are spending more on their telecounseling programs. In fall 1997 **public** institutions reported spending a mean of $21,735 per year, compared with $10,577 in 1995, a 51 percent increase. **Privates** reported spending a mean of $22,471, compared with a mean of $17,396 in fall 1995, a 23 percent increase.
- **Public** institutions are using telecounseling to develop relationships with selected students who show promise in helping the schools' academic profile. **Publics** are using telecounseling to provide a more personal touch to a large university.


Financial Aid Strategies & Practices
Coordinate Admission & Financial Aid Operations
Provide Early Aid Estimates
Target Financial Aid Awards
Compare Enrollment Rates with Financial Aid Awards
% of Colleges & Universities That Use Advanced Financial Aid Strategies

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- 61.3 percent of four-year **publics** use telecounseling to follow up admittance notification, up from 37.1 percent in fall 1995. 44.7 percent use telecounseling for ongoing relationship building, up from 20.4 percent in 1995.

Conclusion

competitive market and a high-tech world have forever changed the rules for both public and private colleges and universities. In many ways, public institutions are behaving more like their private counterparts in terms of marketing and recruiting. Recruitment and enrollment officers are becoming more and more important to the robust life of their institutions. Evidence of these changes manifests itself in the growing numbers of officers, additional support personnel at their disposal, and increased salaries and benefits.

In turn, enrollment officers are expected to bring higher skill levels to a job that demands high performance of a wider variety of tasks. They must display marketing skills, design recruitment publications, counsel prospective students and parents, understand the role of financial aid, be adept at public relations, know how to attract special student populations, master modern record-keeping techniques, incorporate retention strategies — and visualize and plan for the future.

Nothing less will do the job in a modern, aggressive, competitive market.

Tracy L. Wolff is Senior Consultant, and **Peter S. Bryant** is Senior Vice President of Noel-Levitz, a USA Group company, and the nation's largest enrollment management consulting firm.

About Noel-Levitz

Noel-Levitz began surveying colleges and universities in 1991 to identify current practices in enrollment management. This synopsis presents key information garnered from the 1997-1998 National Enrollment Management Survey of 452 four-year colleges and universities. Its purpose is to promulgate information about major developments or trends in recruiting techniques and strategies, thereby providing options for consideration by personnel responsible for admissions/enrollment management.* The next National Enrollment Management Survey will be conducted in October, 1999.

*Detailed information concerning the methodology used in the survey may be obtained from Noel-Levitz, 5161 East Arapahoe Road, Suite 100, Littleton, CO 80122. Telephone: 303-694-3930.

A competitive market and a high-tech world have forever changed the rules for both public and private colleges and universities.

USAGroup Foundation synopsis

The purpose of the USA Group Foundation is to carry out the research and philanthropic goals of USA Group, Inc., with special emphasis on improving higher education. Specifically, the Foundation supports original and sponsored research, and sponsors selected educational activities. The Foundation also supports educational and civic nonprofit endeavors primarily in the communities where USA Group employees live and work.

The Foundation encourages original sponsored research, which is typically commissioned by the Foundation to address critical issues about the improvement of higher education. Believing that published research may have the longest-term impact on higher education, the Foundation publishes and disseminates articles, research reports and books. Topics and approaches to subject matter that are more practical than theoretical, and which emphasize pragmatic tools that will assist institutions and public policy makers, are preferred.

Additional information about the Foundation may be obtained from:

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